

1 INTERPRETATION

- 1.1 'the Client' means
(State full names of owner(s))
- 1.2 'the Contractor' means
(State full name indicating clearly whether a company, close corporation or merely a trade name)
- 1.3 'Nedbank' means Nedbank Limited (Reg No 1951/000009/06)
- 1.4 'the Property' means (Stand No)
situated at (address)
- 1.5 'the Works' means collectively, all constructions and/or improvements erected or to be erected on the Property by the Contractor.

2 PREAMBLE

- 2.1 The Contractor has entered into an agreement with the Client in terms of which the Contractor has undertaken to construct and complete the Works subject to certain terms and conditions.
- 2.2 The Works shall be financed in whole or in part by way of a loan granted to the Client by Nedbank on security of a mortgage bond registered or to be registered over the Property.

3 APPLICABLE REGULATIONS AND BY-LAWS

- 3.1 All work shall conform to, and be carried out in accordance with, the National Building Regulations and Building Standards Act, 1977, and any other applicable laws or by-laws.
- 3.2 Plans approved by the relevant local or other authority shall be submitted to Nedbank and incorporate a schedule specifying all finishes to the satisfaction of Nedbank.
- 3.3 In the event of the minimum requirements contained herein conflicting in any way with any applicable regulations and/or by-laws, the latter shall take precedence over these requirements, provided that they are not less stringent.

4 UNCONVENTIONAL CONSTRUCTION AND MATERIALS

- 4.1 Should the construction method and/or materials to be used in the erection of the Works not comply with the National Building Regulations, the prior written consent of Nedbank to the use thereof shall be required.
- 4.2 Any unconventional construction method and/or materials shall require the prior approval of Nedbank and shall be covered by a valid agreement or Mantag certificate. All conditions specified in such certificate shall be adhered to.

5 WORKMANSHIP AND MATERIALS

- 5.1 All workmanship and materials shall be acceptable to Nedbank and Nedbank shall at any time be entitled to call for the opening up of any concealed work at the Contractor's expense.
- 5.2 All building materials shall bear the standardization mark of the South African Bureau of Standards or shall be otherwise acceptable to Nedbank.

6 INSPECTIONS BY NEDBANK

- 6.1 Reasonable notice (ie minimum 2 days) shall be given to Nedbank by the Contractor of the date on which -
- 6.1.1. the foundation trenches will be ready for inspection and the boundary beacons / pegs will be flagged;

- 6.1.2. special damp-proofing and ant guards will be completed;
- 6.2 No concrete shall be poured until such time as Nedbank has inspected and approved the foundation trenches.
- 6.3 The Client acknowledges that it is responsible for the supervision of the Works and any other building operations, where applicable. The Client acknowledges further that Nedbank does not act as the Client's agent in this regard and that Nedbank has no responsibility whatsoever to the Client arising from any assessment of the Works or value placed thereon by Nedbank, or from any failure by Nedbank to undertake an inspection, regardless of whether or not the loan is a building loan, and the Client has no claim of whatsoever nature against Nedbank arising from the foregoing considerations.
- 6.4 Inspections of the Works undertaken from time to time shall be for the internal purposes of Nedbank. Nedbank shall not act as the agent of the Client and it shall be the responsibility of the Client to ensure that the Works are carried out and completed to the Client's satisfaction.

7 METHOD AND CONDITIONS OF PAYMENT

- 7.1 The loan shall from time to time be advanced to and/or disbursed on the Client's behalf in instalments (subject to a maximum of four payments) as requested by the Client in writing, in accordance with the progress of work done and Nedbank shall be the sole judge as to the amounts to be advanced (unless the Client has specified a lesser figure) from time to time.
- 7.2 The Contractor and any other workmen who may have or acquire a lien or right of retention of whatsoever nature in respect of the Works or portion thereof shall expressly renounce and waive such lien or right of retention in favour of Nedbank in a form specified by Nedbank, so that the amount secured from time to time under the mortgage bond in favour of Nedbank, shall take precedence over such lien, and until such lien or right of retention has been so renounced or waived, Nedbank shall not make any advance in respect of the loan.
- 7.3 The Contractor and the Client acknowledge that Nedbank will be entitled to decline to make any payment if the Contractor has failed to comply with any requirement prescribed by the Housing Consumers Protection Measures Act, 1998, or any regulation or rule made in terms of that Act, including *inter alia* the builder's defects warranty scheme contemplated therein.

8 EXCAVATIONS

- 8.1 The area of the site to be built upon shall be cleared of all refuse and vegetation. The site shall be examined for termite workings and, if necessary, treated in terms of the South African Bureau of Standards code relating to soil poisoning and the relevant treatment certificate shall be submitted to Nedbank. Where trees or tree roots within the building area are removed, the ground shall be consolidated. A soil engineer's report shall be supplied, if requested by Nedbank.
- 8.2 Trenches for foundations shall be excavated to firm natural ground. The bottom of all trenches shall be levelled and, where necessary, stepped and rammed.

9 CONCRETE AND BRICKLAYING

- 9.1 In special circumstances or in unstable ground conditions the Works shall, if so required by Nedbank, be carried out in strict compliance with detailed specifications and plans prepared by a registered structural/civil engineer who shall obtain a soil analysis and design the structure to suit the conditions of the site. If so required by Nedbank, an engineer's certificate completed to the satisfaction of Nedbank shall be submitted to Nedbank on completion of the structural work.
- 9.2 Site-mixed concrete shall be prepared in a trough or on a slab and shall be composed of 5 parts coarse aggregate, 4 parts clean sharp sand (unwashed river sand), 1 part cement and 20 to 44 litres of water to every 50kg bag of cement. The nominal size of coarse aggregate to be used shall be either 19,0mm or 26,5mm. 15MPA ready mixed concrete shall be acceptable.
- 9.3 Hard-burnt clay bricks, stone or concrete blocks shall be used for constructing the foundation walls. Concrete foundation walls shall be of a quality not less than that specified above. Where filling is in excess of 1m in height, the thickness of the foundation walls shall be suitably increased and/or the foundation walls reinforced.
- 9.4 The filling under concrete surface beds shall consist of earth, sand or other acceptable material free of clay and organic matter, and shall be well watered and rammed in layers of not more than 200mm covered by at least 100mm of hardcore.

- 9.5 Damp-proofing shall be placed under all walls at a minimum height of 150mm above the ground level. Damp-course shall be laid under concrete surface beds in damp areas and where a high water level is prevalent or where considered necessary by Nedbank.
- 9.6 Where necessary and if required by Nedbank, a continuous ant guard shall be fixed on top of the damp-proof course.

10 VENTILATION

- 10.1 Adequate cross ventilation shall be provided under all suspended floors and through foundation walls.
- 10.2 All external air ventilators shall be vermin-proof and provision of airbricks to all rooms shall be in accordance with governing regulations and/or building by-laws.

11 MASONRY AND BRICKWORK

- 11.1 Clay bricks shall be sound, hard, well-burnt and acceptable to Nedbank and cement bricks shall comply with SABS 1215 standards.
- 11.2 All brickwork shall be plumb and true, correctly bonded and rising uniformly with no portion exceeding more than 1,5m above any other part of the work.
- 11.3 The thickness of external, internal, cavity and cable walling shall comply with the National Building Regulations and Building Standards Act and any applicable local authority laws and by-laws.
- 11.4 Acceptable damp-proofing shall be provided to all external cavity walls, stepped up one brick height from surface bed onto the inner skin. Cavities shall be cleaned out at regular intervals to prevent build-up of mortar droppings.
- 11.5 Brickforce shall be used above door/window heights at every second course.

12 MORTAR

Mortar shall comprise cement mortar mixed as to 6 parts sand and 1 part cement (measured per volume).

13 SILLS

- 13.1 External windowsills shall be of an acceptable material having an adequate slope.
- 13.2 Acceptable damp-proofing shall be provided.

14 LINTELS

All reinforced concrete or reinforced masonry lintels in excess of 1,5m shall be designed by a structural engineer or other competent person, or shall be constructed according to a recognized code or guide acceptable to Nedbank.

15 STEPS

- 15.1 Steps shall be of brick or concrete as specified above with granolithic or other acceptable finish, built on an adequate foundation.
- 15.2 Risers shall be uniform and not exceed 175mm.
- 15.3 Treads shall be not less than 250mm and finished with a non-skid surface.
- 15.4 The risers and treads shall conform to the National Building Regulations and Building Standards Act and any applicable local authority laws and by-laws.

16 SURFACE BEDS AND SCREEDS

- 16.1 Surface beds shall be suitably reinforced where the depth of filling exceeds 1m.
- 16.2 Screeds shall be 1 part cement to 3 parts coarse sand.

17 REINFORCED CONCRETE

All reinforced concrete shall be in accordance with plans and specifications prepared by a registered civil or structural engineer, and certified on completion.

18 EXTERNAL PLASTER

External plaster shall be 5 parts sand and 1 part cement. All wall surfaces shall be cleaned and wetted as required.

19 INTERNAL PLASTER

Internal plaster shall be rendered to an acceptable finish comprising 6 parts sand and 1 part cement. Plaster sand shall be sharp, free from loam and organic matter (washed).

20 CARPENTRY AND JOINERY

20.1 Roofing:

- 20.1.1. Trusses designed and constructed by specialist firms accompanied by a standard Engineer's certificate shall be acceptable;
- 20.1.2. Site-made trusses for slate and tile roofs shall be bolted as well as nailed;
- 20.1.3. Roof timbering shall be securely anchored to the supporting walls with galvanised hoop iron or galvanised wire built into the walls;
- 20.1.4. Roof construction shall have adequate cross bracing;
- 20.1.5. Roof trusses shall not be supported on internal non-load-bearing walls;
- 20.1.6. All roof timbers shall be treated. Timber and wall plates shall be a minimum of 76mm x 38mm solid treated timber;
- 20.1.7. Spacings of trusses shall not exceed 760mm for tiled roofing or 1400mm for metal roofing or 1050mm for metal tiled roofing.

20.2 Ceilings:

- 20.2.1. Ceilings shall be of approved materials and fixed in an acceptable manner. Where applicable, cornices shall be of a suitable material neatly fixed in long lengths;
- 20.2.2. Ceiling heights shall comply with local authority by-laws;
- 20.2.3. Provision shall be made for at least 1 trap door measuring 600mm x 600mm.

20.3 Doors and frames:

- 20.3.1. In the case of timber frames and doors:
 - 20.3.1.1. Jamb linings shall be of a suitable thickness and fixed in an acceptable manner;
 - 20.3.1.2. All external doors shall be of a solid type and fitted with an acceptable weatherboard where required;
 - 20.3.1.3. In external cavity walls, acceptable damp-proofing shall be provided along the sides and top of all frames in accordance with acceptable building practice, and to the satisfaction of Nedbank.
- 20.3.2. In the case of steel frames and doors:
 - 20.3.2.1. Pressed steel door frames and linings shall be of approved manufacture and suitably fixed;
 - 20.3.2.2. Where necessary, steel doors and frames used within 20kms of the coast, shall be hot dipped galvanised.

21 WINDOWS

- 21.1 All window frames shall be of approved manufacture.
- 21.2 Where window frames are fitted in external cavity walls, acceptable damp-proofing shall be provided along the sides and top of all frames in accordance with acceptable building practices, and to the satisfaction of Nedbank.

22 IRONMONGERY

Ironmongery exposed to the weather shall be of a non-corrosive type or be satisfactorily protected using an approved method.

23 PLUMBING

- 23.1 Water supply shall be in accordance with the local authority by-laws. A minimum of one freestanding tap shall be provided on the site.
- 23.2 Borehole water supply shall yield a minimum of 1000 litres per hour. A supporting certificate of the yield over a minimum 24-hour period shall be submitted to Nedbank.

24 DRAINS

- 24.1 Drains shall be laid strictly in accordance with the requirements of the local authority by-laws.
- 24.2 Nedbank shall be provided with an appropriate drainage and/or occupation certificate issued by the local authority before the final instalment shall be paid.

25 GLASS

25.1 All glass shall be free from defects and shall comply with the following specifications:

Size	Thickness
up to 0,75m ²	3mm
up to 1,50m ²	4mm
up to 2,10m ²	5mm
up to 3,20m ²	6mm

25.2 Steel frame windows used within 20km of the coast, shall be hot-dipped galvanised.

26 OILS AND PAINTS

- 26.1 All paints, stains, varnishes, linseed oil, knotting, driers, distempers, etc shall be of an approved manufacture, and used exactly as supplied in strict compliance with the manufacturer's instructions.
- 26.2 All timber surfaces shall be painted and be knotted, stopped, primed and finished with at least two surface coats.
- 26.3 Varnished surfaces shall have not less than two coats.

27 ELECTRICAL, GAS AND PLUMBING INSTALLATIONS

All electrical, gas and plumbing installations shall be carried out strictly in accordance with local authority by-laws by approved and qualified operators.

28 CLEARING OF SITE

- 28.1 The site shall be cleared of all builder's rubble upon completion of work and left clean and tidy.
- 28.2 All earth banks over 1,5m in height shall be suitably cut and/or retained to Nedbank's satisfaction.

29 SITE DRAINAGE AND SEEPAGE WATER

Adequate precautions shall be taken to drain surface and seepage water away from buildings.

30 ADDITIONAL WORK AS FOLLOWS:

31 GENERAL AND ACKNOWLEDGEMENT

- 31.1 The Contractor agrees and undertakes to carry out and complete the Works in accordance with the aforementioned minimum requirements which shall form part of the agreement between the Contractor and the Client, and acknowledges that payment shall be made in accordance with Nedbank's requirements applying to building loans from time to time. If any of these conditions are not complied with Nedbank shall have the right to decline to advance any further part of the loan and to treat such non-compliance as a breach of the terms and conditions of the loan.
- 31.2 Nedbank, as mortgagee, shall be entitled to reject any workmanship or materials which, in its opinion, do not conform with the afore-mentioned minimum requirements but Nedbank shall have no liability for not rejecting any work or material not conforming with its requirements which are laid down solely as a safeguard for the protection of Nedbank as mortgagee.

Signed at on / /
 (Signature) (place) (day) (month) (year)

(For and on behalf of the Contractor, duly authorised)

NATIONAL HOME BUILDERS REGISTRATION COUNCIL Registration No

Signed at on / /
 (Signature) (place) (day) (month) (year)

(The Client)

MINUTES OF A MEETING OF THE DIRECTORS/MEMBERS OF

.....
 (Specify full name and Reg No)

Held at on / /
 (place) (day) (month) (year)

RESOLVED THAT:

- 1 The company/close corporation waives in favour of -

NEDBANK LIMITED
 (Reg No 1951/000009/06)
 ('Nedbank')

as the holder of a mortgage bond registered or to be registered over the under-mentioned property, namely-

any right of retention, lien, charge or claim, the company/close corporation or any person claiming through it may now have or at any time in the future acquire in respect of certain buildings, constructions and improvements erected or to be erected by the company/close corporation on behalf of:

('the Client')

- 2
 in his/her capacity as a director/member of the company/close corporation be and hereby is authorised to waive any such right of retention, lien, charge or claim, in favour of Nedbank in such form and upon such terms and conditions as he/she in his/her sole discretion decides.

CERTIFIED A TRUE COPY

.....
CHAIRMAN/SECRETARY

WAIVER OF LIEN
(CONTRACTOR)

WHEREAS:

I/We, the undersigned, in my/our capacity/capacities as a director(s)*/member(s) * of -

('the Contractor')

have entered into a contract with -

('the Client')

in terms of which the Contractor has agreed to erect certain improvements on the property described as –

situated at -

('the Property')

- (b) Nedbank Limited (Reg No 1951/000009/06) ('Nedbank') has agreed to make a loan to the Client against the registration of a mortgage bond in favour of Nedbank hypothecating the aforesaid property to enable the Client to pay all or a portion of the costs of erection of the said improvements.
- (c) It is a term of the aforesaid loan that the Contractor waives in favour of Nedbank any lien or right of retention which the Contractor may at any time acquire arising out of work performed and/or moneys disbursed and/or services rendered and/or goods sold and delivered pursuant to the said contract and/or in connection with the said improvements.

NOW THEREFORE THE CONTRACTOR DOES HEREBY:

- 1. Waive, renounce and abandon in favour of Nedbank any lien or right of retention which the Contractor may at any time acquire arising out of work performed and/or moneys disbursed and/or services rendered and/or goods sold and delivered pursuant to the said contract and/or in connection with the said improvements.
- 2. Acknowledge and agree that any such lien or right of retention shall not be binding on Nedbank whether as successor in title to the Client of the aforesaid property or otherwise.
- 3. Acknowledge and agree that any mortgage bond registered in favour of Nedbank in terms of which the aforesaid property is hypothecated shall rank preferent in every respect to any lien or right of retention which the Contractor may acquire in respect of the aforesaid property.
- 4. Undertake irrevocably to vacate the aforesaid property and give occupation and/or possession thereof to Nedbank if and when called upon by Nedbank to do so.
- 5. Undertake irrevocably to hand over to Nedbank the keys to all improvements erected by the Contractor on the aforesaid property if and when called upon by Nedbank to do so.

Signed at on / /

(Signature) (place) (day) (month) (year)

(For and on behalf of the Contractor, duly authorised*)

WITNESSES:

1 _____ (Signature) Name: _____ Address: _____	2 _____ (Signature) Name: _____ Address: _____
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* In the case of companies/close corporations a resolution signed by the chairman/secretary authorising the signatory to sign the waiver is required. See page 4 "Minutes of a meeting of the directors/members".